

BRIDGWATER YOUNG MEN'S CHRISTIAN ASSOCIATION
(Trading as Bridgwater YMCA and YMCA Dulverton Group)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Registered Company Number: 03746771

Registered Charity Number: 1076434

Registered Social Landlord Number: H4245

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REFERENCE AND ADMINISTRATIVE DETAILS

OTHER TRADING NAMES

Bridgwater YMCA
YMCA Dulverton Group

TRUSTEES AND DIRECTORS

Chairman
President
Vice Chairman

John Ennals
Arthur Leigh
Alastair Matthews
Jon Clarey
David Cockcroft
John Ford
Jason Hobday
Sarah Slevin

COMPANY SECRETARY

Martin Hodgson

SENIOR MANAGEMENT TEAM

Chief Executive
Head of Housing (from 31.10.20)
Director of Strategic Housing (until 31.10.20)
Head of Childcare (from 21.6.21)
Director of Early Years and Communities (until 31.10.20)
Head of Resource and Risk Management
Head of Social Enterprise (until 27.9.21)
Director of Training and Education (until 31.10.20)
Head of Development (from 1.1.21 until 19.11.21)
Director of Business and Finance (until 19.11.21)

Martin Hodgson
Jonica Walkinshaw
Andrew Pearce
Natalie Purkiss
Kevin Lilwall
Georgina Jones
Dave Jackson
Jonica Walkinshaw
Peter Stephenson
Ruth Cuthbert

COMPANY REGISTRATION NUMBER

03746771

REGISTERED CHARITY NUMBER

1076434

REGISTERED SOCIAL LANDLORD NUMBER

H4245

OFSTED NUMBER

Barley Wood Nursery ET489024
Yew Tree Nursery EY555987
Stepping Stones 2518634
Young Ones Nursery 2555590
Meadowside Nursery 2552086
Play Afterschool Wroughton EY492736
Castle Kids Club 2594556
The Old Potting Shed 2663313

REGISTERED OFFICE AND PLACE OF BUSINESS

George Williams Centre
Friarn Avenue
Bridgwater
Somerset
TA6 3RF

AUDITORS

MHA Monahans
Chartered Accountants
Fortescue House
Court Street
Trowbridge
BA14 8FA

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)

SOLICITORS

Tozers
Broadwalk House
Southernay West
Exeter
EX1 1UA

BANKERS

Allied Irish Bank
19 Whiteladies Road
Clifton
Bristol

Lloyds
25 Cornhill
Bridgwater
Somerset

Barclays (from July 2021)
Leicester Servicing Centre
Leicester
LE87 2BB

Triodos (from July 2021)
Triodos Bank UK
Deanery Road
Bristol, BS1 5AS

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)

The Board of Directors of Bridgwater YMCA, who also act as the trustees of the charitable company, present their report, including a Strategic Report, and the financial statements of the Association for the year ended 31 March 2021.

The Association is a private registered provider of social housing and an incorporated charity registered in the UK. The terms director and trustee are used interchangeably within the report, which combines a Trustees' Report and Report of the Board of Directors.

Review of activities, developments and achievements

The principal activities of the association include the provision of supported housing for young people, and hostel accommodation for homeless families and individuals, and a wide range of Early Years, Youth Club, Youth Training, Social Enterprise and Recreation Facilities.

Objectives and activities

The objects of Bridgwater YMCA are as follows:

- To unite those who, regarding Jesus Christ as their God and Saviour according to the Holy Scriptures, desire to be His disciples in their faith and in their life, and to associate their efforts for the extension of His Kingdom.
- To lead young people to the Lord Jesus Christ and to fullness of life in Him.
- To provide or assist in the provision in the interests of social welfare of facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life.
- To provide or assist in the provision of education for persons of all ages with the object of developing their physical, mental or spiritual capacities.
- To relieve or assist in the relief of persons of all ages who are in conditions of need, hardship or distress by reason of their social, physical or economic circumstances.
- To provide residential accommodation for persons of all ages who are in need, hardship or distress by reason of their social, physical or economic circumstances.

During 2020/21 the board continued to review the Vision and Mission for the next ten years. This was completed in line with the new brand and vision adopted by YMCA England. The association's 3 year strategic plan for 2020 onwards was due to be published in Q4 2020, however is currently under review and will be re launched in as a ten year plan, in three parts, focussing on recovery, stability and growth

1. Mission Statement

Together, the YMCA Federation in England shares a common goal: to create supportive, inclusive and energising communities where young people can truly belong, contribute and thrive.

2. Strategic Aims

The Board has compiled a list of high-level strategic aims for Bridgwater YMCA.

Under each heading a series of SMART strategic objectives will be created by the Senior Management Team to form the basis of the rolling 5-year business plan. These will also provide the CEO's personal targets.

1. Develop and maintain productive working partnerships with other YMCAs and young people's agencies.
2. Identify and fill gaps in community provision and the wellbeing of individuals in our strategic Work Areas.
3. Make Bridgwater YMCA self-sustaining.
4. Seek opportunities to deliver skills, training, learning and physical exercise.
5. Build a network of patrons/advocates to champion Bridgwater YMCA's objectives.

Vision

An inclusive Christian movement transforming communities so that all young people can belong, contribute and thrive.

How we help

YMCA enables people to develop their full potential in mind, body and spirit. Inspired by, and faithful to, our Christian values, we create supportive, inclusive and energising communities where young people can truly belong, contribute and thrive.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) CONTINUED

Work Areas

We work across four key areas, with a fifth – support and advice – running through them all.

Health & Wellbeing “We believe that everyone should be able to enjoy the benefits of physical exercise, from improved health to better education and life chances.”

Training & Education “We believe that every young person should be able to fulfil their full potential.”

Family Work “We believe every family should have the support they need to develop and lead more fulfilling lives.”

Accommodation “We believe that every young person should have a safe place to stay.”

Support and Advice “We believe that every young person should have someone they can trust.”

Aims

INCREASING OUR IMPACT - We will help more young people in more communities.

EXTENDING OUR INFLUENCE - We will publicly champion the interests of young people in society.

WORKING TOGETHER BETTER - We will deliver a shared vision in a spirit of trust, respect and partnership.

SHAPING THE FUTURE - We will develop a business model that ensures our long-term future.

Ethos

We Seek Out, we Welcome, we Inspire, we Speak out, we Serve Others.

Values

Value the Individual – Respect others, ourselves and the people we work with in all that we do

Giving of our best – Showing commitment in our work and to enable young people

Caring Deeply – Have a passion for the work we carry out

Providing Creative Solutions – Show innovation in the approaches we take in supporting young people

Communicate authentically and truthfully – Show openness in our dealings and approaches to people

Programmes

Bridgwater YMCA programmes consist of:

- Early Years for Children 3 months to 5 years all year round including wrap around care
- Social Enterprise activities including Training Hotels and Community Meeting and Wedding Venue
- Outdoor Activities for schools, community groups and individuals
- Day Camps for children and young people
- Youth Work and Positive Activities for young people
- Training, work experience and apprenticeships
- Volunteer recruitment and development programmes
- Housing and Support for young people aged 16-25
- Move on Accommodation for young people aged 16-25
- Emergency Hostel Accommodation for Individuals and Families
- Homelessness Prevention, Advice, Guidance and Accommodation provision
- Community facilities for schools, community groups and individuals

Public Benefit

The Trustees confirm that the main activities of Bridgwater YMCA are undertaken to further the charity's purposes for the public benefit and that they have had due regard to the guidance published by the Charity Commission on Public Benefit.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Trustees and senior staff team have continued to review and implement new policies during the course of the year, and have monitored performance through KPIs in financial and non-financial terms.

Family Work

During the year the association continued to deliver high quality OFSTED registered early years provisions across five sites in North Somerset, Somerset and Mid Devon.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) CONTINUED

Family Work (continued)

Yew Trees Nursery has continued to thrive during this year, achieving GOOD in its OFSTED inspection during August. Further development work has been completed in introducing an attractive Day Camp scheme to the venue catering for 100 children each day of the school holidays

Barley Wood, the first early years setting created and delivered by Bridgwater Young Men's Christian Association, has increased its capacity from a 60 to 100 place nursery providing wrap around care for ages 3 months to 5 years. The nursery is co-located with a vibrant community meeting space and wedding venue with accommodation. This enterprise has created 4 ongoing apprenticeships across a range of disciplines, and hosted a further Day Camp scheme again catering for 100 children per day during each of the school holidays.

Stepping Stones in Claverham is an early years facility attached to the local school, we continue to grow the setting.

Meadowside Nursery in Backwell continues to thrive, our work here has allowed the setting to develop and increase in footfall.

Our Early Years work in Devon has continued to develop. Following the appointment of our Childcare, our presence has immediately benefited from her input, with new opportunities being investigated to provide sustainable provisions in the county.

Covid-19 had a significant impact on our delivery across each of these settings. Through the lockdown period we continued to offer provision across each setting to 'key workers', and as such our occupancy fell to around 15% for the period. As we eased out of lockdown, we saw a gradual growth back toward previous numbers, although with many parents not requiring provision as a result of either working from home or the furlough scheme, we were unable to reach our target capacity of 80% until April 2021.

Use of furlough in our settings was limited as a result of the direction from DFE in relation to funded places. Staff engagement was able to be sustained alongside training, however we found ourselves making posts redundant during July 2020 to prevent increased losses.

Health and Wellbeing

Programme delivery including youth work, fitness and outdoor activities continued to increase throughout this year. The result of this move is shown in the significant financial improvement for services within this area. During 2020/21 we met and exceeded all KPI targets set by our funders (over 10,000 young people and adults accessed our provision during this year). This has continued to provide encouragement for the team to develop new and innovative programme opportunities.

Upon the first national lockdown, each of our activities listed above ceased to be delivered in a physical manner, however youth work and fitness moved to online models of delivery. These were met with great support from beneficiaries and funders, and the opportunity to share online classes with other organisations added depth to our offer and flexibility to our beneficiaries.

Training and Education

The Beach Hotel, Minehead is now in its seventh year of operation and has since its inception provided 64 new apprenticeships in professional cookery, hospitality and housekeeping. Whilst making this provision the levels of customer service are high, evidenced in our ranking as the most popular hotel in the region. As a result of Covid-19 the Beach Hotel was set aside for the provision of accommodation for rough sleepers, this following the MHCLG 'Everyone In' guidance. The team have shown great flexibility in this provision and have ensured a safe environment in which to support rough sleepers or those at risk of rough sleeping. It remained in this role until May 2021, and has subsequently re-opened in its original purpose and has achieved 85% occupancy during the period to September 2021.

Barley Wood continues to offer training opportunities to young people in partnership with Weston College. This partnership creates apprenticeships for those young people who may have specific barriers in the way of further developing their learning. During the year we were unable to deliver weddings as a result of the national lockdown, each of these bookings was honoured and rolled into the following calendar year, this of course impacted negatively on revenue, however through the relocation of staff to other areas of the business the effects were mitigated. Since re-opening we have been able to deliver a variety of events within strict Covid guidelines to the satisfaction of clients.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) CONTINUED

Training and Education (continued)

The Great Western Hotel completed its development during the prior year. This provision adjacent to the Taunton Railway station offers hotel accommodation, a café, meeting rooms and collaborative work hubs. This provision has now offered eight apprenticeships, and throughout the period of the pandemic, was able to remain open to offer accommodation to key workers involved in the support of Musgrove Hospital and those supporting the national rail network. Since re-opening this hotel has operated at 95% capacity.

Our newest apprenticeship and social enterprise, the Beach Hotel, Weston-super-Mare, was leased from the Royal Airforce Association (RAFA) with effect from April 2021, previously having been a care facility. The hotel was opened in May as restrictions lifted, and has provided two apprentices to date, and operated at 87% capacity for the period to September 2021.

We have continued during the year to develop new Covid support operations across Sedgemoor, Taunton, North Somerset, and West Somerset. We achieved this through supporting other community associations and charities in their objects.

Accommodation

Homes England continues to provide an important part of our funding for capital developments, while Somerset County Council funds the support elements of our service in Sedgemoor and Somerset West and Taunton, and North Somerset Council funds the support elements of our service in its own area.

During 2020/21 funds from Homes England allowed for the completion of the development of two properties. Gascony House provides 18 bedrooms for those who will have been street homeless or at risk of street homelessness, whilst Clarence Park Lodge offers 4 bedrooms for the same beneficiaries.

We continue to operate Wade House in Highbridge which provides emergency accommodation for homeless families; this offer has increased, being led by demand, to include the change of use into family accommodation of Riverbed House. The partnership with Sedgemoor District Council is important to both organisations in this provision.

The impact of Covid-19 on our beneficiaries in this specific area was wide ranging and challenging for us to deliver, from encouraging social distancing, to being in a position where we had a responsibility to encourage behaviours in lockdown. Each individual beneficiary reacted differently, and our support style of being person-centred definitely benefited the circumstance. The ability to re-position staff into a new environment, quickly and effectively, allowed us to increase our numbers accommodated, and to effectively support all during and after the iterations of the lockdown periods. Certain areas of our stock including YMCA Highbridge were re-purposed into a differing style of delivery, from low support to very high support, and new stock as highlighted above was acquired to support local authorities delivering to the MHCLG 'Everyone In' requirement.

Alongside the above we supported Somerset and Taunton Councils in the delivery of extra bed spaces and support through the Canonsgrove project, 56 bedrooms of student halls style, to ensure that the Councils' duty under 'Everyone in' was met. Our actions of provision, support and development have been highlighted as good practice nationally by MHCLG.

We were able to access funding to prepare meal packages, which encouraged all beneficiaries to follow government guidelines, and also it had the associated impact of encouraging healthy eating amongst a client group for whom this is often difficult.

Pathways to Independence

Throughout the year we have continued the delivery of the P2i contract across both Sedgemoor, and Somerset West and Taunton. The pathway provides support in YMCA accommodation and floating support to young people living in their own accommodation. During this financial year we were informed that the contract is to be extended until March 2023.

We again secured funding to develop a Tenant Accreditation Scheme which young people attend in order to support them in achieving and sustaining a tenancy.

We upheld our recognition following an external audit as an accredited Nightstop provider in Sedgemoor and North Somerset, providing emergency accommodation to young people who are homeless or are threatened with homelessness. Alongside this programme we run family mediation with the aim of the young person returning to the family unit.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) CONTINUED

Fundraising

During the year we continued to develop our approach to fundraising in terms of ensuring the approach was based on local need and support. This new approach comes alongside the development of community branches where our work takes place. As a result of Covid-19 our main fundraising event 'Sleepeasy' was unable to take place, which had a negative impact on our fundraising budget for the year.

All of these fundraising events have been planned by Bridgwater YMCA, and have not relied on the support of other professional fundraising bodies. When carrying out fundraising activities we adhere to the code set out by the Fundraising Regulator. These standards are monitored, and during the year we did not fail to comply. We also received no complaints with regard to our approach to fundraising. When planning for fundraising events, alongside the code, we consider if our approach could be considered an unreasonable encroachment on a person's privacy, we ensure we are not unreasonably persistent and that we never place undue pressure on a person to give money or property.

Young persons' involvement

The level of young persons' involvement continues, and reflects in how our service is delivered, with young people's groups at all sites, and user groups for all activities. All information is fed back to the board through clear reporting lines.

Chaplaincy Provision

During this year we have continued to develop our Chaplaincy provision to the Association. This has served to enrich the lives of our young people who engage, and provides an excellent support function to all staff. We look to continue to develop this role further across the organisation with persons from specific parishes serving the various geographic locations.

Staff Development and Wellbeing

Staff development has again been important in the achievements of this year. With the continuation of the introduction of an emerging manager programme and sharing of training resources with other third sector organisations locally, we have increased the opportunities made available to staff and volunteers.

Staff have been supported throughout the pandemic in numerous ways. From the onset we opened up a counselling and advice line, staffed by senior members of the team; this was used considerably in the first month, and has been used again to a significant level during September and October 2020. We were able to access the furlough scheme for staff that were unable to be re-positioned in the organisation, and for the first three months of the scheme, we were able to top up the 80% provision from the government by a further 20%, in order to support staff and their families.

During July 2020 we embarked on a review of structures and levels of staffing, as it had become highly apparent that we would be unable to sustain the previous staffing levels, on the basis of the level of needs in early years and in some aspects of our social enterprise provision. This process was the first of three planned changes completed within the month and offered clarity to those whom we were unable to retain, and clear direction to those we were able to retain. A significant change to our operational management and leadership team took place during the year, which again strengthened our team and its strategic outlook. The third element is planned to take place during October 2021 and focusses on our central functions including Human Resources as a result of staff recruitment issues and Finance functions focussing on developing real-time information models to better inform managers.

FINANCIAL REVIEW

Overview

Incoming resources generated during the year were £9,788,601 (2020: £6,789,865) a 44% increase on 2019/20. Whilst straight operating costs were tightly controlled there was a proportionate uplift as a result of the increase, with expenditure totalling £9,840,723 (2020: £6,856,453) being incurred, including exceptional expenditure of £58,409 (2020: £nil). The uplift experienced around income and operating costs related in the main to the provision of emergency housing under the MHCLG 'Everyone In' scheme.

The Association is forecasting a deficit in the coming year, this as a direct result of the impact of recovery from Covid-19 on its activities. Throughout the pandemic Bridgwater YMCA has acted in line with its charitable objectives supporting those most vulnerable across the communities it serves, it has however in this year taken the decision to cease some deficit making activities which have not recovered to previous levels nor look to do so during the year.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) CONTINUED

Overview (continued)

It is clear that some areas of our business will take time to recover, however the trustees through a variety of actions have been able to mitigate the impact of the loss of revenue, with an approach which is both prudent and realistic. It has been evidenced that our nurseries were back to full operating capacity by April 2021, and our social enterprise activities were back to pre-lockdown trading levels by June 2021. In this the trustees have considered their comments in relation to going concern. Further details are included in note 1 to the financial statements.

It must be noted that expenditure in many areas of operation are higher as a result of the control measures we have put in place, in line with government guidance, and the trustees are acutely aware of possible difficult decisions ahead, if costs related to controls exceed income, and the consequent impact on our beneficiaries.

Expenditure in these areas may well be higher as a result of the control measures we have put in place, in line with government guidance, and the trustees are acutely aware of possible difficult decisions ahead, if costs related to controls exceed income, and the consequent impact on our beneficiaries.

At the end of the year net assets were £462,495 representing a decrease of 10% against 2020 net assets of £514,617.

Value for Money

The Association in line with its VFM policy has a duty to ensure an efficient and effective service to all it serves. Our operational environment is often highly complex and variable, and this is reflected through our variety of funding streams. During the year, the YMCA has ensured VFM for each of its clients and funders through effective procurement of goods and efficient delivery of services.

The value for money metrics that we are required to report upon by the Value for Money Standard are as follows:

Metric	Result 2021	Result 2020
Metric 1: Reinvestment (%)	11.0%	17.1%
Metric 2a: New Supply (Social Housing Units) (%)	30.4%	18.1%
Metric 2b: New Supply (Non-Social Housing Units) (%)	0%	0%
Metric 3: Gearing (%)	94.7%	69.7%
Metric 4: EBITDA MRI Interest Cover	0.74	0.63
Metric 5: Headline Social Housing Cost (£)	£15,440	£10,353
Metric 6a: Operating Margin (Social Housing Lettings) (%)	6.3%	23.7%
Metric 6b: Operating Margin (Overall) (%)	-0.5%	-1.0%
Metric 7: Return on Capital Employed (%)	-0.2%	-0.3%

Reserves Policy

The Association's reserves policy states that it aims to ensure that it retains £500,000 of unrestricted reserves, with the board informed if this drops below £180,000. Reserves at the year end were £462,495, however free reserves, i.e. unrestricted reserves less the carrying amount of functional assets, were in a deficit position, having been through a significant period of growth and investment. It remains a key element of the business plan to achieve the aim of £500,000, through consolidation of current services, development of new services and through careful management of budgets to achieve healthy surpluses.

The support of our Bank is key in this, and during the year we learnt that the Allied Irish Bank was leaving the SME market. Following market testing carried out through 2tix Ltd consulting, we began a working relationship with Triodos Bank to whom our loan book was transferred in July 2021.

Accommodation occupancy levels during the year ended 31 March 2021 have increased, this includes the emergency accommodation which was procured at the beginning of the pandemic. This has had a positive impact on revenue, alongside the further embedding of social enterprise models in our work which again have made significant contributions to our income streams. In the delivery of the latter we have both had a significant impact on our beneficiaries, and increased our non-restricted funds to a level supporting the ongoing development of the Association and sustaining its presence as an important provider of community resources.

The trustees, along with a restructured senior management team, have continued to adhere to a series of actions agreed during the year ended 31 March 2020. These during the year ended 31 March 2021 have shown that the plan to increase reserves is working well, and we intend to continue this work during the next financial year.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) CONTINUED

Investments Policy

The trustees have again kept reserves as liquid as possible during the last twelve months. This has been to ensure that the Association has been able to meet its obligations to creditors and staff by careful management of cashflow. The Trustees will continue to monitor the situation throughout the year.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk is the threat or possibility that an action or event (or sometimes inaction) will adversely affect an organisation's ability to achieve its objectives.

Risk Policy

The aim of our risk policy is to enable Bridgwater YMCA to achieve its mission. Therefore, we accept those risks to which we must subject ourselves to deliver our mission. We strive to:-

- avoid unnecessary risks;
- control risks which inevitably arise as a result of our activities;
- monitor risks which cannot be tightly controlled without compromising delivery of the mission; and
- take risks which we have assessed as likely to lead to positive outcomes.

Control and monitoring of risk arising from activities

We aim to understand, document and review all significant risks that arise from our ongoing activities. We do this by making and regularly updating a business risk analysis and following up all matters that require attention. Where controls can be created or improved in a practical and cost-effective manner, these are implemented. The business risk analysis is made available to the board annually for review, and any matter that arises during the year with a risk score of 20 or more is highlighted at the next board meeting.

Work during the year has identified that financial sustainability is the major financial risk for the charity. A key element in managing this risk is a regular review of available funds to settle debts as they become due. Regular liaison with the bank and active management of trade debtors and creditors balances to ensure sufficient working capital is key to this.

Over the past five years we have seen an increase in threats toward staff, and an increase in the vulnerability of the clients with whom we work. These matters clearly indicate a risk to staff. We have ensured during this period that we update lone working policies, that the correct equipment is carried by those who do lone work, and that in areas of high tolerance to our clients there are two staff members present at all times. We continue to monitor this risk.

The impact of Covid-19 on activities and the impact on risk has been discussed at each board meeting, with the trustees reviewing each element of the business individually to ensure the correct levels of mitigation are applied. It is clear that some elements of our revenue were impacted considerably more than others, and ensuring that these areas were isolated and managed through government support was key. Equally there were pressures placed on areas of need in our communities, which through staff re-positioning we were able to sustain.

PLANS FOR FUTURE PERIODS

Organisation

During Quarter four of 2019/20 we were due to be publishing our new 3 year strategy for the Association. This continues the focus on more efficient use of resources, with the aim of increased sustainability and improved outcomes for communities, including children, young people and adults who may wish to access our services. As a result of Covid-19 we felt it inappropriate to carry this action through, however we have internally continued to review and will look to launch the plan in its revised form in Q4 of 2021/2022.

Delivery

We look throughout 2021/2022 to continue to increase our impact across Sedgemoor, Taunton, West Somerset, North Somerset and Devon. We will be enhancing the facilities across each of our sites, increasing capacity and relevance for our varied user groups, and increase children's, families' and young people's access to support. Through enhancing our facilities, we look to ensure that all 'green' options are explored in terms of procurement of buildings, provision of energy and disposal of waste. Much of the above is in line with our strategic plan, and its ongoing review in light of the Covid-19 pandemic.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) CONTINUED

We will continue to be a key partner for Somerset County Council, North Somerset Council, Devon County Council, Sedgemoor District Council, Somerset West and Taunton, Mid Devon, Weston-Super-Mare Town Council and Cullompton Town Council, in the provision of new and innovative approaches to create opportunities for young people, plus preventing and managing homelessness for young people and families across the districts. We also intend to further develop our services into Devon and work closely with the area both at county and district level.

There are elements of our delivery which we have procured using external agencies. Having reviewed these, we are now committed to self-delivery of a function in providing early years catering for all our sites, based from Yew Trees Nursery.

Partnerships will be key in achieving the above where we look to the third sector, public and private sectors to join together to enable the best outcomes for all, whilst showing efficiencies in all that we do.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The company is incorporated under the Companies Act 2006 and is governed by its Memorandum and Articles of Association. It is a company limited by guarantee without share capital. The Articles of Association govern the rules concerning membership and election of the Board of Trustees. The company was registered on 7 April 1999, and it is also a charity registered under the Charities Act and a private registered provider of social housing. The liability of its members in the event of a winding up is limited to £1.

Appointment of Trustees

Trustees are elected at the Annual General Meeting. Details of trustees are included in the Association legal and administration information on page 1.

Trustee Induction and Training

Board members are recruited from the communities we serve and in line with the needs identified from the skills audit. These members are interviewed by the Chair, President and Chief Executive, and then inducted to the full board, including safeguarding training, professional boundaries and policy review. Before becoming full board members, potential new trustees/directors, must attend at least three meetings.

Each year a skills audit is carried out with our Board members in order to ensure continued experience and skills are present within the Board.

Organisational structure

The Board of Trustees meets at least four times a year and is supported by another four training events, attended by the Chief Executive and the senior management team. Day to day running of the association is delegated to the senior management team under the leadership of the Chief Executive.

Governance and financial viability and code of governance

We regularly monitor and report on our performance and the delivery of our plans, and residents involved in our governance structure are consulted on budget priorities and the strategic plan. We have a comprehensive risk register and framework that are regularly reviewed by boards and committees, and complete risk analysis in our business plan financial model. The strategic plan is suitably financially conservative and risks are managed, with the business plan being independently validated by our Bank.

We have strong short, medium and long-term cash-flow management systems and all our future commitments are fully funded by agreed loan facilities with our banks for at least twenty years.

Our strategic plan makes sure of effective management and that our loan covenants are continuously monitored. Annual and periodic external audits of our accounts are completed to ensure they and our business plans are robust and viable.

Our self-assessment statement will be updated during the course of 2021/22 with additional information on how Bridgwater YMCA meets the Homes England revised Governance & Financial Viability Standard.

The Association has been assessed by Homes England under the continued qualification process for investment partners 2020/21. As a result of the assessment the Association has retained continued qualification as an investment partner for programmes and the applicable successor programmes.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) CONTINUED

Arrangements for setting pay of key management personnel

The directors consider the board of directors, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing, controlling and operating the charity on a day-to-day basis. All directors' expenses and related party transactions are disclosed in notes 7 and 26 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other YMCAs of a similar size. The remuneration benchmark is the midpoint of the range paid for similar roles, adjusted with a weighting of up to 20% for any additional duties. If recruitment has proven difficult then in this instance, we will pay no more than greater than the maximum benchmarked salary for a comparable role.

Relationship between the charity and related parties

Bridgwater YMCA has strong relationships with its partners, whilst also having strong links with fellow YMCAs working in conjunction with them to develop our services and skills.

Our operations are subject to regular review by a number of external agencies, including, OFSTED, Homes England, Somerset County Council, North Somerset Council auditors and others.

Statement of trustees' responsibilities

The trustees (who are also directors of Bridgwater Young Men's Christian Association for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law and registered social housing legislation require the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the association and of the incoming resources and application of resources, including the income and expenditure, of the association for that period.

In preparing these financial statements, the board is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis (unless it is inappropriate to presume that the organisation will continue in operation).

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Association, and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered social providers of social housing in England 2019. They have general responsibility for taking reasonable steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

The board of trustees is responsible for the maintenance and integrity of the corporate and financial information included on the Association's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

A resolution to reappoint MHA Monahans as auditors will be put to the members at the Annual General Meeting.

In approving the Trustees' Report, we also approve the Strategic Report included therein, in our capacity as company directors.

By order of the Board of Trustees



John Ennals
Chair

22 December 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIDGWATER YOUNG MEN'S CHRISTIAN ASSOCIATION

Opinion

We have audited the financial statements of Bridgwater Young Men's Christian Association (Bridgwater YMCA) for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 of the financial statements which describes the uncertainty related to going concern. Our opinion is not qualified in respect of this matter.

Other information

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The board are responsible for the other information contained within the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (including the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (including the Strategic Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the association and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (including the Strategic Report).

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIDGWATER YOUNG MEN'S CHRISTIAN ASSOCIATION (CONTINUED)

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of the board

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11, the board members (who are also the directors of the association for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Association and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with employment law, health and safety regulations and registered provider of social housing legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements of the Association. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, Housing and Regeneration Act 2008, the Accounting Direction for private registered providers of social housing in England 2019 and the Statement of Recommended Practice for Social Housing Providers 2018. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the audit engagement team included:

- Enquiry of management and those charged with governance about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Gaining an understanding of management's internal controls designed to prevent and detect irregularities and fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing analytical review procedures to identify any unusual or unexpected relationship that might indicate a risk of material misstatement due to fraud;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluation the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIDGWATER YOUNG MEN'S CHRISTIAN ASSOCIATION (CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report

This report is made solely to the association's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Gare (Senior Statutory Auditor)
for and on behalf of MHA Monahans
Statutory Auditor
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

Date 23 December 2021

STATEMENT OF COMPREHENSIVE INCOME (INCLUDING INCOME & EXPENDITURE ACCOUNT)

	Notes	2021 £	2020 Restated £
Turnover	2	9,788,551	6,789,537
Operating expenditure		(9,332,269)	(6,522,387)
Operating surplus		456,282	267,150
Interest receivable and similar income	4	50	328
Interest payable and similar charges	5	(450,045)	(334,066)
Surplus / (deficit) on ordinary activities for the year before tax		6,287	(66,588)
Taxation		-	-
Surplus for the year after tax and total comprehensive income		6,287	(66,588)
Exceptional expenditure	28	(58,409)	-
Deficit for the year after tax and total comprehensive income after exceptional expenditure		(52,122)	(66,588)

On behalf of the Board



John Ennals, Chair



Alastair Matthews, Trustee

22 December 2021

BRIDGWATER YOUNG MEN'S CHRISTIAN ASSOCIATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

BALANCE SHEET

	Notes	2021 £	2021 £	2020 Restated £	2020 Restated £
Registered company number: 03746771					
FIXED ASSETS					
Intangible fixed assets	11		270,284		308,084
Tangible fixed assets					
<i>Social housing properties</i>	12	7,860,132		7,960,113	
<i>Development costs</i>	12	951,829		-	
<i>Other properties</i>	12	15,544,532		17,638,581	
<i>Other tangible fixed assets</i>	13	486,008		572,211	
			<hr/>		
Fixed asset investments	14		24,842,501 10,000		26,170,905 10,000
			<hr/>		
			25,122,785		26,488,989
CURRENT ASSETS					
Stocks		9,362		7,527	
Debtors	15	649,584		499,813	
Cash at bank and in hand		605,393		11,504	
			<hr/>		
			1,264,339		518,844
CREDITORS: amounts falling due within one year	16	(2,569,917)		(2,471,620)	
			<hr/>		
NET CURRENT LIABILITIES			(1,305,578)		(1,952,776)
			<hr/>		
TOTAL ASSETS LESS CURRENT LIABILITIES			23,817,207		24,536,213
CREDITORS: amounts falling due after more than one year	17		(23,354,712)		(24,021,596)
			<hr/>		
NET ASSETS			462,495		514,617
			<hr/> <hr/>		<hr/> <hr/>
RESERVES					
Income and expenditure reserve	23		455,809		488,431
Restricted reserve	23		6,686		26,186
			<hr/>		
TOTAL RESERVES			462,495		514,617
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the Board of Trustees on 22 December 2021 and were signed on its behalf by:


 John Ennals, Chair


 Alastair Matthews, Trustee

The notes on pages 19 to 34 form part of these financial statements.

STATEMENT OF CHANGE IN RESERVES

	Restricted reserve £	Income & expenditure £	Total £
At 1 April 2019	-	581,205	581,205
Surplus for the year previously reported	-	45,058	45,058
Prior year adjustment	-	(111,646)	(111,646)
Total comprehensive income (restated)	-	(66,588)	(66,588)
Transfers	26,186	(26,186)	-
At 31 March 2020 and 1 April 2020 (restated)	26,186	488,431	514,617
Deficit for the year	-	(52,122)	(52,122)
Total comprehensive income	-	(52,122)	(52,122)
Transfers	(19,500)	19,500	-
At 31 March 2021	6,686	455,809	462,495

STATEMENT OF CASH FLOWS

	Note	2021 £	2020 Restated £
Cash flow from operating activities	24A	935,030	145,684
Interest paid	5	(450,045)	(334,066)
Net cash flow from operating activities		484,985	(76,736)
Cash flow from investing activities			
Payments to acquire tangible fixed assets	12,13,14	(1,150,649)	(3,986,898)
Payments to acquire intangible fixed assets		-	(53,000)
Social housing and other grants received		777,000	525,000
Interest received	4	50	328
Net cash flow from investing activities		(373,599)	(1,640,116)
Cash flow from financing activities			
Receipts from issue of new long term loans		965,465	1,025,000
Interest added to loan balance		-	111,646
Repayment of long term loans		(260,902)	(163,421)
Net cash flow from financing activities		704,563	973,225
Net increase in cash and cash equivalents		815,949	(855,273)
Cash and cash equivalents at 1 April 2020		(210,556)	644,717
Cash and cash equivalents at 31 March 2021		605,393	(210,556)
Cash and cash equivalents consists of:			
Cash at bank and in hand		605,393	11,504
Bank overdraft		-	(222,060)
Cash and cash equivalents at 31 March 2021		605,393	(210,556)

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of significant accounting policies

General information and basis of preparation of financial statements

The association is a charitable company which is incorporated under the Companies Act 2006, and a private registered provider of social housing in the United Kingdom. The registered office is given in the association legal and administrative information on page 1 of these financial statements. The nature of the association's operations and principal activities are documented within the Report of the Trustees. The association constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018 (SORP), and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008, the Companies Act 2006 and Charities Act 2011.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the association, and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Group financial statements

The financial statements contain information about Bridgwater YMCA as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 402 of the Companies Act 2006 from the requirements to prepare consolidation financial statements as its subsidiary undertaking can be excluded from consolidation in Companies Act group accounts under Section 405 of the Act; in this case the option available under section 405(2) of the Companies Act 2006 to exclude the wholly owned subsidiary from consolidation on the basis that its inclusion is not material for the purpose of giving a true and fair view.

Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, developments costs including the labour costs of own employees arising directly for the construction or acquisition of the property, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Housing properties

The association depreciates housing properties by material component on a straight line basis over the estimated useful economic life of each component. The material components, and their useful economic lives, are as follows:

Land	Not depreciated
Main Fabric	80 - 100 years
Roof structure and Covering	50 - 70 years
Windows and External Doors	10 - 30 years
Gas boilers / fires	Over 15 years
Kitchen	Over 20 years
Bathroom / WCs	Over 30 years
Mechanical Systems	Over 30 years
Electrics	Over 40 years

Annually housing properties are assessed for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the association, its recoverable amount is its fair value less costs to sell.

NOTES TO THE FINANCIAL STATEMENTS (continued...)

1. Summary of significant accounting policies (continued)

Other fixed assets

Freehold and leasehold land	Not depreciated
Freehold buildings	2% straight line
Leasehold buildings	2% straight line
Furniture and equipment	25% reducing balance
Motor Vehicles	15% reducing balance or 25% straight line

No depreciation is applied to development costs as these reflect assets in the course of construction which had not been brought into use at the year end date.

Intangible fixed assets - goodwill

Goodwill arising on business combinations is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful life. The period chosen for writing off goodwill is 10 years which is the maximum permitted by FRS 102. The reason for choosing this period is it is not possible to make a reliable estimate of the useful life of the goodwill however the association feels that the maximum possible period should be applied on the basis of the period over which the nursery purchased has been trading and built up a reputation is greater than 10 years at 17 years. Provision is made for any impairment.

Intangible fixed assets - other

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired on business combinations are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition. Provision is made for any impairment.

Intangible assets are amortised on a straight line basis over their useful lives. The useful lives of intangible assets are as follows:

Intellectual property	Over 10 years
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Investments

Investments in subsidiaries are measured at cost less impairment.

Financial instruments

The association only holds basic financial instruments are defined in FRS 102. The financial assets and financial liabilities of the association and their measurement basis are as follows:

Financial assets – Trade debtors, accrued income and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

Cash – Is classified as a basic financial instrument and is measured at face value.

Financial liabilities – Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment. Housing loans, bank loans and other loans, as detailed in notes 16, 17 and 18 are initially recognised at the transaction price including transaction costs and subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition.

Provisions

Provisions are recognised when the association has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

NOTES TO THE FINANCIAL STATEMENTS (continued...)

1. Summary of significant accounting policies (continued)

Capital grants can be recycled under certain condition, if a property is sold, or if another relevant event takes place. Recycled grants can be used for projects approved by the Homes England and they are credited to the Recycled Capital Grant Fund within liabilities.

In certain circumstances, such as the sale of housing properties, capital grants may be repayable, and, in that event, is subordinated to the repayment of other loans by agreement with the Homes England. It is accounted for as soon as the liability arises within creditors: amounts falling due within one year. When any grant to be recycled or repaid is less than the grant relating to the disposal, the difference is treated as abated grant. Abated capital grants are treated as a component of the surplus or deficit on disposal.

Operating lease commitments

Rentals payable and receivable under operating leases are charged on a straight line basis over the period of the lease.

Taxation

The association is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes.

The activities of the association are partially exempt from VAT. Irrecoverable VAT which can be attributed to a capital item or operating expenditure is added to the cost of the capital item if expenses were practicable and material.

Turnover, government grants and other income

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows:

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and the Homes England and other income.

Government grants from various sources including the Homes England and Local Authorities are received in respect of purchasing fixed assets. These grants are recognised at the fair value of the asset received or receivable. The assets are accounted for using the cost model and the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. This amortisation is recognised within turnover. Where disposal of government donated assets are required to be recycled, a liability is included to recognise this obligation.

Grants received as a contribution to revenue expenditure are recognised in the statement of comprehensive income on a systematic basis over the period in which the organisation recognises the related costs for which the grant is intended to compensate. Grants are recognised in the same period as the related expenditure provided the conditions for receipt have been satisfied and there is reasonable assurance that the grant will be received.

Other income streams are recognised when the association is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. More detail on specific elements of other income streams are provided below:

For donations to be recognised the association will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the association and it is probable that they will be fulfilled. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

No amount is included in the financial statements for volunteer time in line with the principles of the Charities SORP (FRS 102) as the association is a charity, although the association does not need to follow the Charities SORP as the Housing SORP takes precedence.

NOTES TO THE FINANCIAL STATEMENTS (continued...)

1. Summary of significant accounting policies (continued)

For legacies, entitlement is the earlier of the association being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the association however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed as a note.

Income from fundraising events and trading activities to raise funds for the association is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Interest income is recognised using the effective interest method.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Central costs are apportioned amongst the various activities on a percentage basis of expenditure per category.

Employee benefits and pension commitments

The charity operates two defined contribution pension schemes for eligible employees. Contributions are expensed as they become payable.

Bridgwater YMCA also participated in a multi-employer defined benefit pension plan for employees of YMCAs in England, Scotland and Wales, which was closed to new members and accruals on 30 April 2007. The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to Bridgwater YMCA for the purposes of FRS 102 disclosure, therefore the scheme is accounted for as a defined contribution scheme. However, as described in note 20 Bridgwater YMCA has a contractual obligation to make pension deficit payments and a discounted liability for the amounts payable is included in these financial statements.

Restricted reserve

Restricted reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Revenue and expenditure cannot be directly set against restricted reserves but is taken through the statement of comprehensive income and then a transfer to restricted reserves is made as appropriate.

Going concern

At the year-end date the association had improved its reserve position, with cash standing at £605,393 (2020: £11,504). Although net current liabilities remained to the sum of £1,305,578 this showed a marked improvement over 2020 when the net current liability was £1,952,776.

The year to 31 March 2021 has also seen an improvement in the association's liquidity, however since 31 March 2021 further strain has been exerted on the association's finances as a result of the coronavirus pandemic. Factors have included significant additional expenditure to provide homeless accommodation under the MHCLG 'Everyone In' programme, lost forecast income from hotel bookings due to the third national lockdown, and additional expenditure for services such as the nurseries which required additional staffing to operate in bubbles until August 2021. The net result is that cash stood at approximately £307k in November 2021 and was predicted to reduce further over the next 12 months. Cash funds are expected to go temporarily into overdraft in early January 2022, however the association has a £50,000 facility which will cover this position.

The association has set a budget which will return cash to around £170,000 by 31 March 2022. In the opinion of the trustees the budget is achievable, based on the fact that the association has already begun reducing its costs. That said, the budget also makes certain assumptions, for example that:

- 1) expectations around grant income will be met;
- 2) uplifts for certain service agreements under the YMCA's review can be negotiated;
- 3) any future covid measures imposed will not be as restrictive as in 2020/21, allowing income from weddings and accommodation to continue at post lockdown levels; and
- 4) the association's overdraft facility is maintained.

NOTES TO THE FINANCIAL STATEMENTS (continued...)

1. Summary of significant accounting policies (continued)

The trustees recognise that there remains material uncertainty regarding going concern because of the unknown factors relating to Covid. However, they are confident that the association will be able to work through these difficult times and rebuild its reserves, and that they will take the necessary steps to manage the association's financial security during its Covid recovery. Based on the circumstances described above, the financial statements are prepared on the assumption that the entity is a going concern.

Judgements and key sources of estimation uncertainty

The key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities include obligations under defined benefit pension schemes (note 20) and the split of useful economic lives of components of social housing properties (note 12). There also remains uncertainty relating to going concern as described above.

2. Social housing turnover and costs

	2021	2020
	£	£
Rent receivable after voids but excluding service charges	4,620,149	2,232,156
Revenue grants receivable	1,640,196	1,061,910
Total social housing income	6,260,345	3,294,066
Social Housing activity expenditure	(5,971,063)	(2,765,988)
Operating surplus from social housing activities	289,282	528,078
Memo:		
Void losses	1,298,844	806,724
Amortised government grants relating to social housing taken to income	(111,281)	(111,281)

Revenue grants receivable were all government grants.

3. Accommodation owned and in management

	2021	2020
	Units	Units
Supported Housing	388	270

4. Interest receivable and similar income

	2021	2020
	£	£
Bank interest receivable	50	328
	50	328

5. Interest payable and similar charges

	2021	2020
	£	Restated £
Bank loans and overdrafts	358,755	325,555
Pension interest charge	91,290	8,511
	450,045	334,066

NOTES TO THE FINANCIAL STATEMENTS (continued...)

6. Surplus on ordinary activities

The operating surplus is arrived at after charging:

	2021	2020
	£	£
Auditor's remuneration – for audit services	10,470	9,975
Auditor's remuneration – for other services	13,942	23,557
Depreciation of tangible fixed assets	621,999	531,419
Amortisation of intangible fixed assets	37,800	34,708
Loss on disposal of fixed assets (including exceptional expenditure)	61,654	-
Government grants amortised	(248,644)	(260,618)
Operating lease charges	206,108	305,091
Rent losses from bad debts	8,097	17,060
Increase in pension deficit cost liability	91,290	8,511

7. Trustees' and key management personnel remuneration and expenses

Total remuneration for key management personnel of the association amounted to £361,365 (2020: £361,750). The key management includes the trustees, directors and senior management team as detailed on page 1.

No remuneration was received by non-executive board members / trustees.

The highest paid director received £81,156 (2020: £72,039) remuneration (excluding pension contributions).

The pension contributions made on behalf of the Chief Executive were £3,500 (2020: £1,316). He is an ordinary member of one of the defined contribution pension schemes offered to employees.

During the year no trustees received any reimbursement of expenses (2020: £nil).

8. Staff numbers and costs

	2021	2020
	£	£
Wages and salaries	4,626,470	3,481,835
Social security costs	296,251	237,496
Pension costs	69,893	57,059
Pension deficit liability administration costs	7,979	8,695
Less staff costs capitalised	(48,471)	(95,810)
	4,952,122	3,689,275

One employee received remuneration in the £80,000 to £90,000 band (2020: one employee in the £70,000 to £80,000 band). No other employee received remuneration over £60,000.

During the year redundancy costs totalling £30,886 (2020: £7,064) were paid and these are included within the wages and salaries costs.

The average number of employees, including members of the executive team, during the was as follows:

	2021	2020
	Actual	Actual
	Number	Number
Management and administration	16	19
Development	65	61
Housing, support and care	221	178
	302	258

The average weekly number of employees, including members of the executive team, calculated on a full time equivalent basis was 187 (2020: 177).

NOTES TO THE FINANCIAL STATEMENTS (continued...)

9. Taxation

The association is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

10. Prior year adjustment

Following receipt of additional information from Sedgemoor District Council concerning the association's loan balance held with the Council, it was identified that the loan balance was understated in the prior year by interest of £111,646 in respect of interest accrued on the loan balance covering the period up to 24 September 2019 which was then capitalised as part of the loan.

A prior year adjustment has been included in the financial statements to reflect the inclusion of the interest in the prior year accounts.

Reconciliation of comparative period total comprehensive income

	£
Total comprehensive income previously reported	45,058
Impact of prior year adjustment – inclusion of £111,646 additional loan interest	(111,646)
Restated total comprehensive income	<u><u>(66,588)</u></u>

Reconciliation of comparative period reserves

	£
Total reserves previously reported	626,263
Impact of prior year adjustment – inclusion of £111,646 additional loan interest	(111,646)
Restated reserves	<u><u>514,617</u></u>

11. Intangible Fixed Assets

	Goodwill £	Intellectual Property £	Total £
<i>Cost</i>			
As at 1 April 2020	353,000	25,000	378,000
As at 31 March 2021	<u>353,000</u>	<u>25,000</u>	<u>378,000</u>
<i>Amortisation</i>			
As at 1 April 2020	64,708	5,208	69,916
Charge for the period	35,300	2,500	37,800
As at 31 March 2021	<u>100,008</u>	<u>7,708</u>	<u>107,716</u>
<i>Net Book Value</i>			
As at 31 March 2021	<u>252,992</u>	<u>17,292</u>	<u>270,284</u>
As at 31 March 2020	<u>288,292</u>	<u>19,792</u>	<u>308,084</u>

NOTES TO THE FINANCIAL STATEMENTS (continued...)

12. Tangible Fixed Assets - Properties

	Housing properties £	Development costs £	Non-housing properties £	Total £
<i>Cost/Valuation</i>				
As at 1 April 2020	8,934,707	-	19,017,883	27,952,590
Additions	19,844	951,829	35,423	1,007,096
Disposals	-	-	(2,030,904)	(2,030,904)
As at 31 March 2021	<u>8,954,551</u>	<u>951,829</u>	<u>17,022,402</u>	<u>26,928,782</u>
<i>Depreciation</i>				
As at 1 April 2020	974,594	-	1,379,302	2,353,896
Charge for the period	119,825	-	275,663	395,488
On disposal	-	-	(177,095)	(177,095)
As at 31 March 2021	<u>1,094,419</u>	<u>-</u>	<u>1,477,870</u>	<u>2,572,289</u>
<i>Net Book Value</i>				
As at 31 March 2021	<u>7,860,132</u>	<u>951,829</u>	<u>15,544,532</u>	<u>24,356,493</u>
As at 31 March 2020	<u>7,960,113</u>	<u>-</u>	<u>17,638,581</u>	<u>25,598,694</u>

The net book value of housing properties comprised:

	2021 £	2020 £
Freehold	6,585,919	6,663,575
Long leasehold	1,274,213	1,296,538
	<u>7,860,132</u>	<u>7,960,113</u>

The net book value of non-housing properties comprised:

	2021 £	2020 £
Freehold	15,523,124	15,767,938
Long leasehold	21,408	1,870,643
	<u>15,544,532</u>	<u>17,638,581</u>

Included within properties is land totalling £4,825,000 (2020: £5,075,000) which is not depreciated.

All properties owned by the association have been pledged as security for liabilities of the association. These assets have restricted title.

NOTES TO THE FINANCIAL STATEMENTS (continued...)

13. Other tangible fixed assets

	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<i>Cost</i>			
As at 1 April 2020	1,423,444	33,862	1,457,306
Additions	122,185	21,368	143,553
Disposals	(8,943)	-	(8,943)
As at 31 March 2021	1,536,686	55,230	1,591,916
<i>Amortisation</i>			
As at 1 April 2020	870,698	14,397	885,095
Charge for the period	217,990	8,521	226,511
Eliminated on disposal	(5,698)	-	(5,698)
As at 31 March 2021	1,082,990	22,918	1,105,908
<i>Net Book Value</i>			
As at 31 March 2021	453,696	32,312	486,008
As at 31 March 2020	552,746	19,465	572,211

14. Fixed asset investments

	Shares in group undertaking £	Total £
<i>Cost</i>		
As at 1 April 2020 and 31 March 2021	10,000	10,000
<i>Net Book Value</i>		
As at 31 March 2021	10,000	10,000
As at 31 March 2020	10,000	10,000

Included within other investments is a 100% holding in the ordinary share capital of YMCASC Trading Limited, a company incorporated in England and Wales. At the year end, the aggregate capital and reserves of the company amounted to £10,000 and profit / loss for the year amounted to £nil. YMCASC Trading Limited was dormant during the period.

15. Debtors

	2021 £	2020 £
Trade debtors (gross social housing rent arrears)	388,190	199,912
Less: provision for doubtful debt	(117,235)	(58,006)
Other trade debtors	271,677	252,618
Prepayments and accrued income	88,587	72,111
Other debtors	18,365	33,178
	649,584	499,813

NOTES TO THE FINANCIAL STATEMENTS (continued...)

16. Creditors: amounts falling due within one year

	2021	2020
	£	£
Housing loan (see note 18)	48	41
Bank overdraft	-	222,060
Bank loans (see note 18)	261,881	375,385
Other loans (see note 18)	298,653	158,331
Trade creditors	632,491	441,416
Amounts owed to group undertakings	10,000	10,000
Other taxation and social security	77,708	120,150
VAT creditor	29,624	36,807
Social Housing Grant and Other Grants not spent	141,223	159,418
Other creditors	40,290	97,862
Government grants	248,644	260,618
Accruals and deferred income	790,994	553,373
Pensions liability (see note 20)	38,361	36,159
	2,569,917	2,471,620

17. Creditors: amounts falling due after more than one year

	2021	2020
	£	Restated £
Housing loan (see note 18)	11,166	11,215
Bank loans (see note 18)	4,427,491	3,819,029
Other loans (see note 18)	3,952,244	3,994,565
Government grants	14,692,081	15,947,152
Deferred income	-	29,750
Pensions liability (see note 20)	271,730	219,885
	23,354,712	24,021,596

18. Borrowings

	2021	2021	2021
	Housing loan	Other loans	Bank loans
	£	£	£
Less than one year	48	298,653	261,881
Between one and two years	53	132,059	470,905
Between two and five years	200	282,657	1,057,548
After five years	10,913	3,537,528	2,899,038
	11,214	4,250,897	4,689,372
	2020	2020	2020
	Housing loan	Other loans	Bank loans
	£	£	£
Less than one year	41	158,331	375,385
Between one and two years	48	85,866	182,993
Between two and five years	181	273,977	493,807
After five years	10,986	3,523,076	3,142,229
	11,256	4,041,250	4,194,414

The Housing loan is repayable over 50 years at a fixed interest rate of 11%. The loan is secured on the freehold land that Gerald Townsend House occupies.

NOTES TO THE FINANCIAL STATEMENTS (continued...)

18. Borrowings (continued)

The following loans were held with Allied Irish Bank at the year end date:

- A loan for £2,192,581 on drawdown, for a term of 10 years with interest being charged at a rate of 4.19%.
- A loan for £1,700,000 on a 3 year term with interest being charged at a rate of 3 month LIBOR plus a 3.45% margin.
- A loan on drawdown of £148,500 on a 3 year term with interest being charged at a bank base rate plus 3.25%.
- A loan on drawdown of £300,000 on a 2 year term with interest being charged at bank base rate plus 3.45%
- A CIBLS loan of £400,000 on a 6 year term with interest being charged at bank base rate plus 4.25%, with the first year's interest being covered by the Government Business Interruption Payment.
- A short term loan of £40,765 on a 3 year term with interest being charged at bank base rate plus 2.75%

A government backed Social Investment Business loan was also held at the year end date. On drawdown this was for £400,000, with interest being charged at 9% in the first year (covered by the Government Business Interruption Payment) and then 6.5% afterwards

Four loans were also entered into with local authorities:

- A loan for £3,325,000 on drawdown from Sedgemoor District Council on a thirty year term with interest being paid charged at 4.5%
- A loan for £675,000 from Taunton Deane Council on a 25 year term with interest being paid charged at a rate of 2.4% above the PWLB lending rate at date of advance per annum. Currently this is 5.04%
- A loan on drawdown of £75,000 on a (deferred) 1 year term with interest being paid charged at 4.8%.
- A loan on drawdown of £125,000 on a 4 year term with interest being charged at 4.5%

19. Operating Lease Commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than one year	214,195	187,690
Later than one and not later than five years	511,799	376,642
Later than five years	374,000	278,196
	<u>1,099,994</u>	<u>842,528</u>

20. Pension commitments

The association operates two defined contribution pension schemes, one with Scottish Widows (previously with Aviva) and one with the People's Pension. The assets of the schemes are held separately from those of the association in independently administered funds. The pension cost charge represents contributions payable by the association to the two funds and amounted to £69,893 (2020: £57,059). Contributions totalling £17,179 (2020: £30,256) were payable to the funds at the year-end and are included in creditors.

The YMCA Pension and Assurance Plan and Group Life Scheme

Bridgwater YMCA participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of Bridgwater YMCA and at the year end these were invested in the Mercer Dynamic De-risking Solution, 40% matching portfolio and 60% in the growth portfolio and Schroder (property units only).

The most recent completed three year valuation was as at 1 May 2020. The assumptions used which have the most significant effect on the results of the valuation are those relating to the assumed rates of return on assets held before and after retirement of 2.59% and 1.09% respectively, the increase in pensions in payment of 2.99% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.0 years, female 24.4 years, and 23.7 years for a male pensioner, female 26.1 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £146.1m, which represented 79% of the benefits that had accrued to members.

NOTES TO THE FINANCIAL STATEMENTS (continued...)

20. Pension commitments (continued)

The Pension Plan was closed to new members and future service accrual with effect from 30 April 2007. With the removal of the salary linkage for benefits all employed deferred members became deferred members as from 1 May 2011.

The valuation prepared as at 1 May 2020 showed that the YMCA Pension Plan had a deficit of £36 million. Bridgwater YMCA has been advised that it will need to make monthly deficit contributions of £3,205 from 1 May 2021. These amounts are based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. The current recovery period is 8 years from 1 May 2021.

In line with the requirements of the Charities SORP (FRS 102) a liability for the present value of the contribution payments to fund any deficit relating to past service has been included in the financial statements. The discount rate applied is 3%.

Liability	2021 £	2020 £
Opening liability	256,043	283,691
Unwinding of the discount factor (interest expense) and increase in recovery period	91,290	8,511
Deficit contribution paid	(37,242)	(36,159)
Closing liability	<u>310,091</u>	<u>256,043</u>

	Within one year	One to two years	Repayable two to five years	After five years	Total
	£	£	£	£	£
As at 31 March 2021	<u>38,361</u>	<u>38,361</u>	<u>115,083</u>	<u>118,286</u>	<u>310,091</u>
As at 31 March 2020	<u>36,159</u>	<u>36,159</u>	<u>108,477</u>	<u>75,248</u>	<u>256,013</u>

In addition, Bridgwater YMCA may have over time liabilities in the event of the non-payment by other participating YMCAs of their share of the YMCA Pension Plan's deficit. It is not possible currently to quantify the potential amount that Bridgwater YMCA may be called upon to pay in the future.

21. Contingent liabilities

On 1 June 2013, the Association registered a charge in favour of the Department of Education. This charge relates to grant funding of £3.972 million received in previous years which could become repayable in certain circumstances, particularly if the association were to sell or significantly change the use of the grant-funded building. The trustees consider the likelihood of such circumstances occurring to be remote. This contingent liability is secured against the George Williams Centre, which is included as a freehold property in note 13 of the financial statements.

The Association receives capital grants from Homes England and other funders, which is used to fund the acquisition and development of properties and their components. In certain circumstances upon disposal of grant funded properties the association is required to repay this grant or recycle it by crediting a Recycled Capital Grant Fund.

At 31 March 2021, the Association has not disposed of any such components and plans to hold in perpetuity. It is therefore unlikely any such future disposal will take place, no provision has been recognised in these financial statements.

22. Share capital

The Association is a company limited by guarantee and as such has no issued share capital.

NOTES TO THE FINANCIAL STATEMENTS (continued...)

23. Reserves

Income and expenditure reserve

This represents cumulative surpluses and deficits net of other adjustments.

Year ended 31 March 2021

	Brought forward 01/04/20 previously reported £	Prior year adjustment £	Deficit for year £	Transfer from restricted reserve £	Carried forward 31/03/21 £
Income and expenditure reserve	600,077	(111,646)	(52,122)	19,500	455,809

Year ended 31 March 2020

	Brought forward 01/04/19 £	Deficit for year Restated £	Transfers to restricted reserve £	Carried forward 31/03/20 Restated £
Income and expenditure reserve	581,205	(66,588)	(26,186)	488,431

Restricted reserve

Revenue and expenditure cannot be directly set against restricted reserves but is taken through the statement of comprehensive income and then a transfer to restricted reserves is made as appropriate. Such transfers are detailed below:

Year ended 31 March 2020

	Brought forward 01/04/20 £	Net transfer £	Carried forward 31/03/21 £
Restricted reserve	26,186	(19,500)	6,686

Year ended 31 March 2020

	Brought forward 01/04/19 £	Net transfer £	Carried forward 31/03/20 £
Restricted reserve	-	26,186	26,186

Any restricted funds held at the year end date are represented by cash.

NOTES TO THE FINANCIAL STATEMENTS (continued...)

23. Reserves (continued)

Details of restricted monies received and spent in the year are as follows:

Year ended 31 March 2021

	Brought forward 01/04/20	Incoming resources	Resources expended	Transfers in relation to capital purchases	Carried forward 31/03/21
	£	£	£	£	£
Move on Grant	6,686	-	-	-	6,686
Know Your Worth Workbook	12,000	-	(12,000)	-	-
Complex Adults Initiative Grant	7,500	-	(7,500)	-	-
	26,186		(19,500)	-	6,686

Year ended 31 March 2020

	Brought forward 01/04/19	Incoming resources	Resources expended	Transfers in relation to capital purchases	Carried forward 31/03/20
	£	£	£	£	£
Big Lottery Youth Investment Fund	-	251,697	(251,697)	-	-
Rough Sleeper Outreach	-	81,963	(81,963)	-	-
Move on Grant	-	10,000	(3,314)	-	6,686
Know Your Worth Workbook	-	12,000	-	-	12,000
Complex Adults Initiative Grant	-	10,000	(2,500)	-	7,500
Cold Weather Grant	-	14,679	(14,679)	-	-
	-	380,339	354,153	-	26,186

Restricted reserve descriptions

Big Lottery Youth Investment Fund - A 3 year project developing youth provision across Somerset and North Somerset

Rough Sleeper Outreach – Funding received to support Rough Sleeper Outreach in Sedgemoor

Move on Grant – Funding to help rough sleepers live independently in Sedgemoor

Know Your Youth Workbook – Funding for the creation of a support module workbook relating to Countylines activity and being safe

Complex Adults Initiative Grant – Grant to fund an outreach worker 2 days a week for 12 months to delivery support for Complex Adults Initiative.

Cold Weather Grant – Funding to help provide shelter for rough sleepers during the winter months

NOTES TO THE FINANCIAL STATEMENTS (continued...)

24.A. Reconciliation of net income to net cash flow from operating activities

	2021	2020
	£	Restated £
Deficit for the year	(52,122)	(66,588)
Depreciation charges	621,999	523,836
Amortisation	37,800	34,708
Loss on disposal of fixed assets	61,654	-
Interest receivable	(50)	(328)
Interest payable	450,045	334,066
Decrease / (increase) in stock	(1,835)	(891)
Decrease / (increase) in debtors	(149,771)	10,045
Increase / (decrease) in creditors	215,954	(316,901)
Government grants utilised in the year	(248,644)	(260,617)
	<u>935,030</u>	<u>145,684</u>

24.B. Analysis of net changes in debt

	At 01/04/20	Cash flow	At 31/03/21
	Restated £	£	£
Loans due in less than 1 year	(533,757)	(26,825)	(560,582)
Loans due in more than 1 year	(7,824,809)	(566,092)	(8,390,901)
Total liabilities	<u>(8,358,566)</u>	<u>(592,917)</u>	<u>(8,951,483)</u>
Cash at bank and in hand	11,504	593,889	605,393
Bank overdraft	(222,060)	222,060	-
Total cash and cash equivalents	<u>(210,566)</u>	<u>815,950</u>	<u>605,393</u>
Total net debt	<u>(8,569,122)</u>	<u>223,034</u>	<u>(8,346,090)</u>

25. Capital commitments

At the year end the association had known capital commitments of approximately £nil (2020: £nil).

26. Related Party Disclosures

During the year purchases of £10,020 (2020: £4,592) were made from JE Air Conditioning Limited, a company owned by a close relative of the Chief Executive, J E Hehir. No amounts were outstanding at the year end date. The transactions were made on an arm's length basis.

During the year Eleanor Matthews, the daughter of one the trustees Alastair Matthews was employed by the charity in a Public Relations and Marketing Officer role. During the year she was paid £24,601 (2020: £22,137).

At the year end date an amount of £301 was due to the Chief Executive (2020: £342 due from the Chief Executive).

27. Ultimate Controlling Party

The trustees consider that the association is jointly controlled by the trustees and that there is no ultimate controlling party.

28. Exceptional expenditure

On 1 July the capital works and grants associated with a leasehold property included in non housing property fixed assets were transferred to another charity, YMCA Brunel Group, who owned the freehold of the property.

NOTES TO THE FINANCIAL STATEMENTS (continued...)

28. Exceptional expenditure (continued)

The total amount transferred was as follows:

Net book value of non-housing property asset at transfer date	£ 1,853,809
Deferred government grant balance at transfer date	<u>(1,795,400)</u>
Net expenditure on transfer	<u>58,409</u>

29. Events after the end of the period

During the year following notification that the association's main bank Allied Irish Bank was leaving the SME market, full market testing was completed and post year end in July 2021 the association's loans held with AIB and Taunton Deane District Council were redeemed and consolidated into a new loan with Triodos Bank. This arrangement gives longer term facilities, with an interest only period, and reduced fixed rates for the term of twenty years, and supports the both the association's long term financial and environmental sustainability.